

March 28, 2004

Docket Management Facility (USCG-2003-14472/MARAD-2003-15171)
U.S. Department of Transportation,
Room PL-401
400 Seventh Street, NW
Washington, D.C. 20590-0001

Re: Jones Act - Lease Financing Comments

To Whom It May Concern:

Garvey Marine has operations at six locations on the Illinois River. Our company provides barge fleetling and switching service at Pekin, Ottawa, Seneca, Morris, Channahon and Lemont serving all of the Chicago docks. We operate 16 boats and employ 108 people. Garvey Marine began buying assets in the marine industry in 1988 and has invested capital each year to upgrade existing equipment and expand our harbor service operations. All of our investment in the marine business was based on reliance in the integrity of the Jones Act. I am concerned that our investment will be at risk if the rulemaking that is now being drafted does not preserve the U.S. ownership requirements of the cabotage laws.

The security of U.S. ownership is extremely important to our employees, and their families who are dependent upon the marine business for their livelihood. We are thankful that the Coast Guard's February 4 final rule took a major step toward closing the lease-financing loophole that has placed our company's assets in jeopardy. However, it is essential that the Coast Guard and MarAd take prompt action to resolve the issues raised in the NPRM or the loophole will be narrowed, but not closed. Please close it.

Garvey Marine supports the American Waterways Operators and Maritime Cabotage Task Force comments and I will not repeat that detail in this letter.

I want to thank the Coast Guard and MarAd for the opportunity to comment on the NPRM. Our company is dependent upon getting the rule right.

Yours truly,

William L. Arnold
President

Garvey Marine
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